

45 Ash Street East Hartford, CT 06108

Tel.

(860) 838-4379

Fax

(860) 289-5405

E-mail matchcoalitionct@gmail.com

TESTIMONY IN OPPOSITION PUBLIC HEALTH COMMITTEE

Patricia J. Checko, Dr. P.H. March 6, 2009

SENATE BILL No. 847, AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET RECOMMENDATIONS CONCERNING TOBACCO AND HEATH TRUST FUND

My name is Dr. Pat Checko. I am Chairman of the MATCH Coalition and a member of the Tobacco and Health Trust Fund Board of Trustees. We are opposed to the Governor's proposed use of not only annual transfer funds, but also the principal in the Tobacco and Health Trust Fund itself to address the anticipated deficit in the biennial budget. Needless to say, we were delighted when the legislature passed PA 08-145, authorizing the Trust Board to recommend up to one half of the annual transfer to the THTF (up to \$6 million) in addition to the net earnings from the principal itself. In November 2008, the Trustees recommended and the Joint Committees on Appropriations and Public Health unanimously passed the distribution of \$6,862,456 specifically for tobacco prevention and cessation programs and interventions. Requests for Proposals for these activities have been released and DPH is currently receiving applications.

Last Saturday morning, the legislature passed the deficit mitigation bill for the fiscal year ending June 30, 2009. That package included \$6,572,000 from the FY09 transfer to the fund to offset the deficit. It is my understanding that these funds would still be transferred to the fund and then deferred to the general fund.

Under the Governor's proposed budget \$12 million would be transferred into the Trust Fund in FY 10 and FY11, and \$16 million would be transferred back to the general fund in each of these years. By the end of FY 2011 only \$600,000 would remain in the principal assuming that funds are not appropriated for other purposes by the legislature. Transfers of \$5.75 million in FY08 and \$13.95 million in FY 09 were made for various programs.

Unlike other nonappropriated funds and accounts which have had no activity for three years or more, the THTF is a very active fund account. It also represents the only legacy of the \$1 billion in tobacco settlement funds that was specifically set aside to deal with tobacco prevention and control. It would be a travesty to wipe out the only source of any state funded tobacco efforts.

We know that our efforts must be sustained to have any long-term effect. At a time when the State of Connecticut faces inconceivable fiscal challenges, I beg you not to look at the Tobacco and Health Trust Fund as a quick fix for the deficit. In 2003 facing another fiscal problem, the legislature took the fund's \$60 Million principal for the general fund and suspended Board operations for two years. It was not until 2006 that transfers to the fund were reinitiated and until 2007 that we had any funds at all to appropriate (\$100,000). We can never make that up. After transfers for the mitigation plan, the balance in the THTF on June 30, 2009 will be only \$14.9 million, assuming no further transfers. We ask that you, the committees who oversee the destiny of the fund, lead the effort to keep the Trust Fund viable and refrain from using it for other purposes, including other non-tobacco related health initiatives and the Charter Oak Plan. While this money is a drop in the bucket for the state's budget, it is critical to fulfill our promise to our state residents to use these funds for tobacco.

Thank you.